22.103-4 Approvals.

- (a) The *contracting officer shall* review the *contractor*'s request for *overtime*. Approval of the use of *overtime may* be granted by an agency approving official after determining *in writing* that *overtime* is necessary to-
 - (1) Meet essential delivery or performance schedules;
- (2) Make up for delays beyond the control and without the fault or negligence of the *contractor*; or
- (3) Eliminate foreseeable extended production bottlenecks that cannot be eliminated in any other way.
- (b) Approval by the designated official of use and total dollar amount of *overtime* is required before inclusion of an amount in paragraph (a) of the clause at <u>52.222-2</u>, Payment for *Overtime* Premiums.
- (c) *Contracting officer* approval of payment of *overtime* premiums is required for time-and-materials and labor-hour contracts (see paragraph (a)(8) of the clause at <u>52.232-7</u>, Payments Under Time-and-Materials and Labor-Hour Contracts).
 - (d) No approvals are required for paying *overtime* premiums under other types of contracts.
- (e) Approvals by the agency approving official (see <u>22.103-4</u>(a)) *may* be for an individual contract, project, program, plant, division, or company, as practical.
- (f) During contract performance, *contractor* requests for *overtime* exceeding the amount authorized by paragraph (a) of the clause at <u>52.222-2</u>, Payment for *Overtime* Premiums, *shall* be submitted as stated in paragraph (b) of the clause to the office administering the contract. That office will review the request and if it approves, send the request to the *contracting officer*. If the *contracting officer* determines that the requested *overtime should* be approved in whole or in part, the *contracting officer shall* request the approval of the agency's designated approving official and modify paragraph (a) of the clause to reflect any approval.
- (g) *Overtime* premiums at Government expense *should* not be approved when the *contractor* is already obligated, without the right to additional compensation, to meet the required delivery date.
- (h) When the use of *overtime* is authorized under a contract, the office administering the contract and the auditor *should* periodically review the use of *overtime* to ensure that it is allowable in accordance with the criteria in <u>part 31</u>. Only *overtime* premiums for work in those departments, sections, etc., of the *contractor*'s plant that have been individually evaluated and the necessity for *overtime* confirmed *shall* be considered for approval.
- (i) Approvals for using *overtime shall* ordinarily be prospective, but, if justified by *emergency* circumstances, approvals *may* be retroactive.

Parent topic: 22.103 Overtime.